

IMPACT OF ADVERTISING ON CONSUMER BUYING BEHAVIOUR

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Abstract

In the current era of information explosion and the world of media, Advertising is a form of communication intended to convince an audience (viewers, readers or listeners) to purchase or take some action upon products, information, or services. Advertising has great influence in modern life. It shapes the attitudes of the society and the individual and inevitably influences consumer behavior. The consumer has to contend with a huge amount of information to be able to make a choice, draw a conclusion and make relevant decisions. The paper examines the impact of advertising on consumers buying behavior. The research method adopted is Survey, by administering questionnaires to the relevant respondents in order to acquire fast and reliable information. The statistical tool employed to assist in the analysis of this work is both descriptive and inferential statistics (frequency tables and regression analysis). The findings revealed that there is a significant relationship between advertising and consumer buying behavior in MTN Kaduna area office; The result indicated that MTN sales increases due to the advertisement being carried out by the company, this in addition assist the company (MTN) in outsmarting its competitors in the industry. The study concludes that based on the result obtained from the analyses, advertising have a significant impact on consumer buying behavior in MTN. The study recommends that management must develop and formulate marketing programmes that will satisfy the needs of the consumers. Also, more control and supervision should be employed to bring about the sanctity of the message that is used in the advert in order to avoid any form of deception that would offend customers that the adverts were meant to persuade. This is because a dissatisfied customer will perceive the company's products/services negatively.

Keyword: Advertisement, Purchasing decision, Life Style, Emotional response, Consumer buying behavior

1.0 Introduction

The study of consumer behavior became a concern for marketers, as they may learn how consumers choose their goods and services required to meet multiple needs, which are the factors that are influencing their choice. Our society grows up in the world which is filled with the mass media e.g. television, advertising, films, videos, billboards, magazines, movies, music, newspapers, and internet (Latif & Abideen,

2011). In the current era of information explosion and the world of media, advertisement plays a major role in changing the behavior and attitude of consumers towards the products shown in the advertisements (Forster, 2008). Among all marketing weapons, advertising is renowned for its long-lasting impact on viewer's mind, as its exposure is much broader (Katke, 2007). The advertisement does not only change the way a product is consumed by users but also alter the attitude with which they look at the product. All over the world, advertisements have been used for a wide variety of brands. Advertisements have great influence in purchasing decision of customers for particular brands (Forster, 2008).

The attempt to satisfy the consumer has led producers and marketers into conducting research by adopting market orientation strategy to business in order to understand human behavior in searching for, selecting, purchasing, using, evaluating and disposing of product and services that will satisfy his needs and wants (Sharmach, 2006). There are many Advertising media that influences audiences, but television is one of the strongest medium of advertising and due to its mass reach; it can influence not only the individual's attitude, behavior, life style, exposure and in the long run, even the culture of the country (Latif and Abideen, 2011). Then the battle for recognition and acceptance of products and services by marketers arises, thus advertising plays an important role (Sharmach, 2006).

There is a possibility that newly introduced products and services will not gain recognition and acceptance because it is unfamiliar to the general public who are expected to buy and use them (Hussainy et al., 2008). Companies are faced with knowledge of how the consumer will respond to various things that will be used for achieving their ultimate goal. So, if producers and marketers are to make sales, then consumers must be informed of the existence and availability of these products and services through advertising (Sharmach, 2006).

There are certain factors that influence the behavior of consumer when making purchases, which can be person-centered or situation-centered factors. Most of these factors are uncontrollable and beyond the reach of marketers but they have to be considered while trying to understand the complex behaviour of the consumers (Schiffman & Kanuk, 2009). In order to explain further on the connection between advertising and consumer behaviour, this study is therefore focused on how advertising as a promotional tool has influence on consumers' buying behaviour when purchasing products or services.

As societies grow, taste and preference of people change which left producers and marketers with no choice but to think of better ways of satisfying the ever-growing needs and aspirations of consumers because consumers are never satisfied and that is why they always look out of the window for better offers. The consumers' desire or

wants for varieties has led much company to diversify into producing different products and services to meet these wants, which further leads to competition among companies. To get consumers' attention focused on the products and services of a particular manufacturer, companies resort to using behaviour inducing strategies such as personal selling, sales promotion, and the likes.

The principal aim of consumer behaviour is to explain why consumers act in particular ways under certain circumstances and the factors that influence consumer behaviour, especially the economic, social and psychological aspects (Ayanwale et al., 2005). One of the greatest assets of the marketer is the ability to understand how consumers think, feel and select from alternatives like products, brands and the like and how the consumers are influenced by their environment, the reference groups, family, and salespersons and so on. A consumer's buying behaviour is influenced by cultural, social, personal and psychological factors (Ward, 2010).

Most People especially the young once choose advertising information and characters as their role models; they may not only identify with them but also intend to copy them in terms of how they dress and what they are going to buy (Latif et al., 2011).

Most of the companies engaging in the provision of the mobile telecommunication services have expanded their network coverage to cities, towns, and villages in Nigeria, computing to capture the market., As one of the major players in the Nigeria's telecoms industry with the largest Code Division Multiple Access (CDMA). Being the leading company in the Nigeria's telecoms industry, the company also uses advertising to promote its products and services. Despite all the efforts of the company to reach out to the Nigeria populace, there are indications that not everyone is using the company's products and services.

Therefore, this paper will not only look at the promotional tools used by the company in advertising its products and services but also its effects on consumers buying behavior in Kaduna. Generally, the paper is to investigate the impact of advertising on consumers buying behaviour in MTN Nigeria.

2.0 Literature Review

Advertising plays a major role in modern life. It shapes the attitudes of the society and the individual and inevitably influences consumer behavior. The consumer has to contend with a huge amount of information and be able to make a choice, draw a conclusion and make important decisions. However, the most important task for a business advertising itself is to present its product in such a manner that the whole environment around the buyer turns into a positive emotional stimulus (Dameron, 2011).

The origin of advertisement can be referred to ancient time. During that period people used symbols, and pictorial signs to attract their product users. In the early ages, these were handmade and were produced at limited scale for promotions. Accordingly, this phenomenon gained strength more intensively for promotional purposes, (Courtland (2010). Today's modern environment, advertisements have become one of the major sources of the communicational tool between the manufacturer and the user of the product (Operas, (2008). Advertising has played an important role in increasing the sales volume of any company's product at any point. In fact, it has contributed immensely to increasing growth of many companies in various industries (Lindstrom, 2008). Because it has placed a positive image of the company's product in the minds of the potential consumers and this can influence buying behaviours. Bennett (2011) sees promotion as a process of delivering a message about the products or service from the marketer to the potential buyers. A company cannot make the dream to be a well-known brand until they invest in their promotional activities, for which consumer market has been dominating through advertisements (Hussainy et al., 2008).

Latif, Abdul, Saleem (2011) suggest that, basically, the main objective of communication is to inform and persuade. Consumers must be made to understand that the product exists; otherwise, they may not understand how the product can meet their needs. Therefore, information must be disseminated to achieve communication objectives. One of the basic primary missions of the advertiser is to reach prospective customers and influence their awareness, attitudes and buying behaviour. They spend a lot of resources to keep customers the way they would like and have an interest in their products. Organizations need to understand what makes potential customers behave, also it appears that advertising may have the potential to contribute to brand choice among consumers, they conclude.

Alonge (2009) views it as “means of drawing someone's attention to something or notifying or informing somebody of something”. Courtland (2010) defines advertising as non-personal communication information, usually paid for and usually persuasive in nature, about products, services or ideas by identified sponsors through various media. Akanbi and Adeyeye (2011) opine that advertising is a medium being used by marketers for communicating ideas and information about goods and services to an identified group, which employs paid space or time in the media or uses another communication tools to carry its message. Kotler (2008) defines advertising as a non-personal communication paid for by an identified sponsor who is relayed through various media with the aim of influencing people's behaviour towards the advertiser's products and services at the lowest possible cost.

The major aim of advertising is to impact on buying behavior; however, this impact about brand is changed or strengthened frequently in people's memories. The memories about the brand consist of those attributes that are related to brand name in the consumer mind. These include brand cognition influence consideration, evaluation, and finally purchases (Romaniuk and Sharp, 2003). In the words of (Lindstrom, 2008), there are three essential approaches to developing an effective branding strategy this include: to determine which audience to focus on, determine what message your brand should convey and finally, determine what creates the brand. The brand must have a clear audience focus, value focus, and tone- of-voice focus with which to deliver its well-honed message, he concludes.

Kim and Chung (2009) researching on brand Popularity, Country Image, and Market Share believe is that competition among brands has become more complicated as the number of brands originating from foreign countries increases. They suggested that there are two concepts (brand popularity and country-of-origin-image) as being key variables for the long-term success of brands or firms in global markets. They strongly believe that these two factors interact with other marketing variables such as advertising in influencing brand performance and by extension acceptance by consumers.

According to Hawkins (2013), advertising is defined as a paid form of non-personal communication which coordinates all seller initiated efforts to inform and persuade in order to facilitate the sales and patronage of products and services or ideas. Dunn et al. (1978) see advertising from its functional perspectives, accordingly they define it as a paid, non-personal communication through various media by business firms, a non-profit organization, and individuals who are in some way seen in the advertising message and who hope to inform or influence members of a particular audience. Kotler and Keller (2009) defined advertising as “any paid form of non- personal presentation and promotion of ideas, goods, and services by an identified sponsor. It includes not only business firms but also charitable, non-profit, and government agencies”. We can define it as the communication process, a marketing process, an economic and social process, a public relations process or information and persuasion process (Arens, 1996).

Bovee (2012) said, advertising is the non-personal communication of information usually paid for and usually persuasive in nature about products, services or ideas by identified sponsors through the various media. Morden (1991) believe that advertising is used to inform and create basic awareness of the product or service in the mind of the potential customer and to build up knowledge about it. Advertisements are usually placed anywhere an audience can easily and/or frequently access visual and/or video (Belch and Belch, 2004).

Overview of Consumer Behaviour

Proctor et al. (1982) opine that the fundamental aim of consumer behavior analysis is to explain why consumers act in particular ways under certain circumstances. It tries to determine the variables that influence consumer behaviour, especially the economic, social and psychological aspects that can determine the most favored marketing mix that management should select. Belch and Belch (2012) defined consumer behaviour as the process and activities people engage in when searching for, selecting, purchasing, using, evaluating and disposing of products and services so as to satisfy their needs and desires.

Schiffman and Kanuk (2009) Consumer behaviours analysis views the consumer as another variable in the marketing sequence, a variable that cannot be-controlled and that will interpret the product or service not only in terms of the physical attributes but in the context of this image according to the social and psychological makeup of that individual consumer (or group of consumers). Kotler (2013) highlights the importance of understanding consumer buying behaviour and the ways in which customers choose their products and services can be extremely important for manufacturers, as well as service providers as this, provides them with competitive advantage over their competitors in several aspects.

Factors Influencing Consumer Behaviour

According to Ward (2010), a consumer's buying behaviour is influenced by cultural, social, personal, and psychological factors which exert the broadest and deepest influence. These factors cause the consumer to develop product and brand preferences. Although the factors cannot be directly controlled by marketers, understanding their impact is essential as better marketing mix strategies can be developed to appeal to the preference of the target market. Attitude put people into a frame of mind of liking or disliking things, of moving toward or away from them (Kotler & Armstrong, 2008).

Kotler and Armstrong (2008) state that “personality can be useful in examining consumer buying behaviour for certain products or brand choices because a number of well-known brands tended to be associated with one particular trait: Consumer buying behaviour is based on the concept and idea that he/she simply decided to purchase a product or service on the spot (Adelaar et al. 2003). According to Cateora, Graham and Saiwan (2010), a person's buying choices are further influenced by four major psychological factors: motivation, perception, learning, and beliefs and attitudes. Schiffman and Kanuk (2009) views the consumer as another variable in the marketing sequence, a variable that cannot be-controlled and that will interpret the product or service not only in terms of the physical characteristics but in the context

of this image according to the social and psychological makeup of that individual consumers.

Consumer Decision Making and process

Consumers approach the marketplaces differently; they go through the buying decision process differently as it gets influenced by internal and external forces. Authors such as Ayanwale et al (2005), Adelaar et al. (2003) and (Jalees, 2006) have attempted to understand the dynamics of consumer decision making and they have classified four varying views and perspectives; the underlying forces operating within consumers that could be employed to approach the marketplace. They are economic, Passive, Cognitive and emotional views (Kelvin & Keiter, 2012). Schiffman & Kanuk (2004) also argued that the classical economic model of an all-rational consumer is unrealistic for the following reasons: People are constraint by their existing skills, habits, and reflexes. People are limited by their existing values and goals: and People are limited by the extent of their knowledge.

Consumer decision process is the decision processes undertaken by consumers in regard to a potential market transaction before, during, and after the purchase of a product or service (Kotler & Keller, 2011). Generally, decision making is the cognitive process of selecting a course of action from among multiple alternatives. The advertisers objective is to get enough relevant market data to develop accurate profiles of buyers-to-find the common group (and symbols) for communications. This involves the study of consumers behaviour: the mental and emotional, psychological processes and the physical activities of people who purchase and use goods and services to satisfy their needs and wants (Arens, 1996).

There is a need for marketers to really understand how consumers treat the purchase decision they face. The most known theory in marketing and advertising research is attitude-towards-the-advertising. Furthermore, the attitude that is formed towards the advertising help in influencing consumer's attitudes toward the brand until their purchase intent (Goldsmith and Lofferty, 2002). Marketers need to concentrate on the entire buying process rather than on just the purchase decision (Kotler and Armstrong, 2011).

Impact of Advertising on Consumer Buying Behaviour

Advertiser's primary objective is to reach prospective customers and influence their awareness, attitudes and buying behaviour. Marketers use a lot of resources to keep individuals (markets) interested in their products. To achieve these, they need to know what makes potential customers behave the way they do. As the goal of effective advertising is to form the positive attitude toward advertising and the brand,

to increase the number of purchase, then a positive emotional response to advert may be the best way of effective advertising (Goldsmith & Lofferty, 2002). The advertiser's goal is to get enough relevant market data to develop accurate profiles of buyers to find the common group (and symbols) for communications, and this involves the study of consumers' behaviour; the mental and emotional processes and the physical activities of people who purchase and use goods and services to satisfy particular needs and wants (Arens, 2012).

Advertising was supposed to be about informing consumers on the choices they can avail in the market. It was supposed to be about catching a break during a long show or match. It was also supposed to be engendering healthy competition among product manufacturers and service providers. That's why the aim of advertising is to encourage people to buy things and creates awareness (Bijmolt et al. 1998). Today, surpassing all these primary functions, advertisements are constantly endeavouring to structure lifestyles, and propagating a hedonistic culture.

An individual tends to compare him/herself to the models in the advertisements he/she sees and is constantly forming his/her self-identity on this basis. It is damaging to the self-image of an individual to know he can't buy something others can or do (Dameron, 2011). Thus, people become discontented with their lives.

Advertisements also penetrate their way into the lives of millions of consumers by raising their rate of consumption-related aspirations. Consumers compete among themselves to demonstrate their status through tokens of material possession that have been posed as status-symbols by advertisements (Belch and Belch, 2004).

3.0 Methodology

The research method adopted is Survey, by administering questionnaires to the relevant respondents in order to acquire fast and reliable information. The statistical tools employed to assist in the analysis of this work is both descriptive and inferential statistics (frequency tables and regression analysis). This was used to determine the significance of advertising on consumer buying behaviour. The population of the study is the Staff of MTN Kaduna area office. The nominal roll shows the population of 22 permanent staff as at 2016. The sample size is 19 determined through simple random sampling technique.

4.0 Results and Discussion

The data for this study is analyzed using both descriptive and inferential statistics (frequency tables and regression analysis). The results of the data analyzed are presented below.

Table 1: Frequency of responses to Question 1: MTN carry out product promotion

Category	Frequency	Percent
Agreed	7	36.84
Strongly agreed	12	63.16
Total	19	100

Source: Field Survey Data, 2016

From the Table, it can be seen that all (100%) the respondents agreed that MTN carries out product promotion. It implies that the company has been carrying out product promotion.

Table 2: Frequency of responses to Question 2: Advertising is the major promotional tool used by MTN

Category	Frequency	Percent
Agreed	10	52.63
Strongly agreed	9	47.37
Total	19	100

Source: Field Survey Data, 2016

From the Table, it can be seen that all (100%) the respondents agreed that advertising is the major promotional tool used by MTN. This affirms that Advertising is the major promotional tool used by the organization.

Table 3: Frequency of responses to Question 3: MTN sales increases due to advertisement

Category	Frequency	Percent
Agreed	10	52.63
Strongly agreed	9	47.37
Total	19	100

Source: Field Survey Data, 2016

From the Table, it can be seen that all the respondents agreed that MTN sales increase due to advertisement carried out by the company. This implies that sales have increased due to the advertisement.

Table 4: Frequency of responses to Question 4: Advertising made an impact on MTN customer buying habit

Category	Frequency	Percent
Agreed	13	66.7
Strongly agreed	6	23.8
Total	21	100

Source: Field Survey Data, 2016

From the Table, it can be seen that all the respondents agreed that advertising made an impact on MTN customer buying habit. This indicates that Advertising made an impact on the company's customer buying habit.

Table 5: Frequency of responses to Question 5: Advertising has an impact on the image of MTN

Category	Frequency	Percent
Undecided	3	15.78
Agreed	8	42.11
Strongly agreed	8	42.11
Total	21	100

Source: Field Survey Data, 2016

From the Table 5, it can be seen that majority (84.2%) of the respondents agreed that advertising have an impact on the image of MTN. However, 15.78% of the respondents are not sure whether advertising will have an impact on the image of the company.

Table 6: Frequency of responses to Question 6: Advertising influence MTN consumer brand preference

Category	Frequency	Percent
Undecided	3	15.78
Agreed	9	47.38
Strongly agreed	7	36.84
Total	19	100

Source: Field Survey Data, 2016

From the Table, it can be seen that majority (84.2%) of the respondents agreed that advertising influences the brand preference of MTN consumers. In addition, 15.78% are not sure whether advertising will influence the brand preference of MTN consumers for the period under study.

Table 7: Frequency of responses to Question 7: MTN product and service meets the attributes displayed by their advertisement

Category	Frequency	Percent
Undecided	2	10.5
Agreed	8	42.1
Strongly agreed	9	47.4
Total	19	100

Source: Field Survey Data, 2016

From the Table, it can be seen that majority of the respondents (89.5%) agreed that MTN product and services meet the attribute displayed by their advertisement. However, 10.5% of the respondents are not sure whether MTN products and services actually meet the attribute being displayed in their advertisement

Table 8: Frequency of responses to Question 8: MTN delivered products to subscribers as advertised

Category	Frequency	Percent
Undecided	1	5.3
Agreed	10	52.6
Strongly agreed	8	42.1
Total	19	100

Source: Field Survey Data, 2016

From the Table, it can be seen that majority of the respondents (94.7%) agreed that MTN delivered products to subscribers as displayed in their advertisement. However, 5.3% of the respondents are not sure whether MTN delivered products to its subscribers based on its advertisement.

Table 9: Frequency of responses to Question 9: MTN placed advert frequently at the wrong time

Category	Frequency	Percent
Undecided	1	5.3
Agreed	12	63.2
Strongly agreed	6	31.5
Total	19	100

Source: Field Survey Data, 2016

From the Table, it can be seen that majority of the respondents (94.7%) agreed that MTN placed an advertisement at the wrong time in some cases. Meanwhile, 5.3% of the respondents are not sure whether timing used by MTN to advertise its products and services is wrong.

Table 10: Frequency of responses to Question 10: There is prompt check on MTN advertisement by the advertising agency

Category	Frequency	Percent
Undecided	6	31.5
Agreed	8	42.1
Strongly agreed	5	26.4
Total	19	100

Source: Field Survey Data, 2016

From the Table, it can be seen that majority of the respondents (68.5%) agreed that there is a prompt check on MTN advertisement by the advertising agency. However, 31.5% of the respondents are not sure whether the advertising agency does check the advertisement carried out by MTN.

Table 11: Frequency of responses to Question 11: MTN should increase the frequency of its advertisement

Category	Frequency	Percent
Undecided	6	31.5
Agreed	8	42.1
Strongly agreed	5	26.4
Total	19	100

Source: Field Survey Data, 2016

From the Table 11, it can be seen that majority of the respondents (68.5%) agreed that there is the need for MTN to increase the frequency of its advertisement.

Table 12: Frequency of responses to Question 12: Radio is the most effective advert channel influencing MTN customers

Category	Frequency	Percent
Undecided	3	15.9
Agreed	10	52.6
Strongly agreed	6	31.5
Total	19	100

Source: Field Survey Data, 2016

From the Table 12, it can be seen that majority of the respondents (84.1%) agreed that radio is the most effective advertisement channel used by MTN to influence its customers.

Table 13: Frequency of responses to Question 13: MTN advert influences customer buying decisions

Category	Frequency	Percent
Disagreed	2	10.5
Undecided	2	10.5
Agreed	10	52.6
Strongly agreed	5	26.4
Total	19	100

Source: Field Survey Data, 2016

From the Table 13 it can be seen that majority of the respondents (79.1%) agreed that MTN advertisement influence customer buying decisions. However, 10.5% of the

respondents are not sure whether the buying decisions of customers are influenced by the MTN advertisement.

Table 14: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.959 ^a	.920	.711	.26637

Source: Data analysis using field survey data, 2016

a. Predictors: (Constant)

Advertising has an impact on the image of MTN, MTN delivered products to subscribers as advertised, Advertising is the major promotional tool used by MTN, MTN carry out product promotion, There is prompt check on MTN advert by advert agency, MTN sales increases due to advertisement, Advert influence MTN consumer brand preference, Advertising made an impact on MTN customer buying habit, MTN product and service meets the attributes displayed by advert, MTN should increase the frequency of its advert, Radio is the most effective advert channel influencing MTN customers, MTN placed advert frequently at the wrong time

Table 15: ANOVA^b

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	4.066	13	.313	4.408	.056 ^a
Residual	.355	5	.071		
Total	4.421	18			

Source: Data analysis using field survey data, 2016

Table 14: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.959 ^a	.920	.711	.26637

Source: Data analysis using field survey data, 2016

a. Predictors: (Constant) (independent variables)

Advertising has an impact on the image of MTN, MTN delivered products to subscribers as advertised, Advertising is the major promotional tool used by MTN, MTN carry out product promotion, There is prompt check on MTN advert by advert agency, MTN sales increases due to advertisement, Advert influence MTN consumer brand preference, Advertising made an impact on MTN customer buying habit, MTN product and service meets the attributes displayed by advert, MTN should increase the frequency of its advert, Radio is the most effective advert channel influencing MTN customers, MTN placed advert frequently at the wrong time.

b. Dependent variable: Consumer Buying behavior in MTN

Table 15: ANOVA^b

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	4.066	13	.313	4.408	.056 ^a
Residual	.355	5	.071		
Total	4.421	18			

Source: Data analysis using field survey data, 2016

Table 16: Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	5.997	1.417		4.232	.008
	MTN carry out product promotion	.111	.329	.111	.337	.750
	Advertising is the major promotional tool used by MTN	-.481	.292	-.498	-1.647	.161
	MTN sales increases due to advertisement	-.432	.367	-.448	-1.177	.292
	Advertising made an impact on MTN customer buying habit	.235	.381	.227	.617	.564
	Advertising have an impact on the image of MTN	-.114	.171	-.168	-.665	.536
	Advert influenced MTN consumer brand preference	-.476	.204	-.686	-2.337	.067
	MTN product and service meets the attributes displayed by advert	-.436	.250	-.602	-1.743	.142
	MTN delivered products to subscribers as advertised	.040	.232	.048	.170	.871
	MTN placed advert frequently at the wrong time	.097	.633	.110	.154	.884
	There is prompt check on MTN advert by advert agency	-.198	.149	-.312	-1.334	.240
	MTN should increase the frequency of its advert	-.140	.306	-.236	-.459	.665
	Radio is the most effective advert channel influencing MTN customers	.591	.337	.821	1.753	.140
	MTN advert influences customer buying decisions	.164	.433	.302	.379	.721

a. Dependent Variable: Consumer Buying behaviour in MTN

The results in Table 14 indicate that advertising caused 92% ($R^2 = .920$) variation in consumer buying behaviour in MTN. Thus, implying that the variables (Advertising has an impact on the image of MTN, MTN delivered products to subscribers as advertised, Advertising is the major promotional tool used by MTN, MTN carry out product promotion, There is prompt check on MTN advert by advert agency, MTN sales increases due to advertisement, Advert influence MTN consumer brand

preference, Advertising made an impact on MTN customer buying habit, MTN product and service meets the attributes displayed by advert, MTN should increase the frequency of its advert, Radio is the most effective advert channel influencing MTN customers) contributed significantly to the buying behaviour and decisions of MTN product subscribers for the period under study.

5.0 Conclusion and Recommendations

This study has vividly shed light into Impact of Advertising on Consumer buying behavior. Based on the data gathered from MTN Area office in Kaduna, the study concludes that, Advertising has an impact on the image of MTN, Also MTN delivered products to subscribers as advertised. Also, there is a significant relationship between advertising and consumer buying behaviour in MTN; Advert influence MTN consumer brand preference, Advertising made an impact on MTN customer buying habit.

Radio is the most effective channel used by MTN in advertising its product. This has resulted in sales increased by MTN, this indeed assist the company (MTN) to compete effectively in the telecommunication industry in Nigeria. On the overall, the study conclude that advertising have a significant impact on consumer buying behavoiur in MTN. In accordance to the analyses of the results generated from this research work, the following recommendations are made:

Due to the competitive nature of the industry, the marketing manager of MTN Nigeria must be efficient and precise in their message that will satisfy the needs of the consumers. Since other competitors have similar advertising messages.

MTN Nigeria Communications Limited should focus its advertisement in programs broadcast on radio or televised on TV station, especially during the evening programs that usually catch people's attention so that it can use the opportunity to attract consumers' interest. Adverts should be done repeatedly as much as possible because, more potential customers will be reached, and rhythm and rhyme should be used to assist in recalling the adverts.

The study also recommends that since the main motive is to create awareness, persuade consumers, as well as for competitive tool in the market. Therefore, more control and supervision should be employed to bring about the sanctity of the message that is used in the advert in order to avoid any form of deception and lies that would offend customers the adverts was meant to persuade.

Finally, it is suggested that market research and other studies should be conducted to enable MTN Nigeria identify those areas where promotional activities with effective advertising is lacking. They should also examine the segments of the market that have been appealing so as to hold on to them and to look for ways of attracting more customers.

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CORPORATE GOVERNANCE MECHANISM AND BUSINESS PERFORMANCE: ANALYSIS OF EXTERNAL FORCES IN NIGERIAN'S TELECOMMUNICATION COMPANIES

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Abstract

Corporate governance mechanisms are of paramount importance in managing any organization. This study examines the influence of the external forces of governance mechanism and how they impact on telecommunication firms' financial performance in Nigeria. Secondary data were obtained from the annual financial reports of the six active telecommunication operators in Nigeria. This information was collated to estimate the external influence of board composition (EXTBC), institutional shareholding (IS) and external audit committee composition (EXTAC). The dependent variable used in the study is the mean value of return on assets (ROA) and return on equity (ROE); while the method of regression analysis is Fully Modified Ordinary Least Square (FMOLS). The results of the study revealed that the proportion of external audit committee to their internal committee members has a depressing impact on the financial performances. The results also show that institutional shareholding proportion has significant negative impact on the firms' financial performance. The study, therefore, recommends that telecommunication firms may do better by increasing the proportion of external directors; and reduce the proportion of their external auditors and institutional shareholdings. The reasons are that the proportion of Board Composition (BC) is too small while that of Audit Committee (AC) and institutional shareholding are too large.

Keywords: Corporate governance, external directors, external auditors, institutional shareholdings, business performance, fully modified ordinary least square OLS.

1.0 Introduction

The relevance of telecommunication in the economic system and the nature of the telecommunications business make the problems involved in Corporate Governance of the industry highly specific. The Telecommunication system is a key element in